



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

JAN 16 2004

Don
MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)

SUBJECT: Comments on Draft Memorandum "Business Management Modernization Program – Compliance Certification of System Investments"

I appreciate the opportunity to comment on the subject draft memorandum and concur with its intent. The memorandum will represent a significant move forward in realizing the Business Management Modernization Program (BMMP). I have attached clarifying comments from the Acquisition, Installations and Environment, and Logistics Domains which our action officers can work to resolve in order to eliminate ambiguities regarding the memorandum.

My Domain action officers regarding these comments are Diane Morrison, diane.morrison@osd.mil, 703-614-3883, for Acquisition; Lora Muchmore, lora.muchmore@osd.mil, 703-604-6025, for Installations and Environment; and Gary Jones, gary.jones@osd.mil, 703-604-0157, extension 151, for Logistics.

M. Wynne
Michael W. Wynne
Acting

Attachment:
As stated



Acquisition, Installations and Environment, and Logistics Domain Comments to Draft Memorandum "Business Management Modernization Program – Compliance Certification of System Investments"

Text	Issue
"Domain Owners will identify all relevant business systems within their domains and develop plans to ensure that no obligations for systems over \$1 million are incurred without Comptroller approval."	1. Memo needs to define "relevant business systems."
	2. Memo needs to define "obligation," whether this means investment dollars, sustainment dollars, etc.
"Business Domains must provide their compliance plan to BMSI within 90 days."	3. The mixing of language within the memo is confusing. Memo should clarify whether compliance is with the Business Enterprise Architecture (BEA), the requirement to go to Comptroller for systems over \$1 million, or against some other measure.
	4. If "compliance" is defined to be against the BEA, the BEA is inadequate for the I&E Domain to do systems reviews. It only covers Real Property Management and does not include Base Services or Environmental Management.
	5. It is unclear what BMSI is expecting to receive as the Domains' compliance plan. Memo needs to indicate requested format (project plan, SV8, document...) and topics. Unless clarified, BMSI will receive plans that vary dramatically in level of complexity and detail.
	6. It is unclear if the requested compliance plan is a plan to evaluate compliance or a schedule by which compliance evaluations will be completed.
	7. Memo needs to address requirements for cross-domain coordination of issues in compliance plans.
"It is the Department's goal to complete all system reviews, as required by law, by September 30, 2006."	8. September 30, 2006 is not a date "required by law". The law is silent on the target date.
"All DoD components are directed to integrate the system compliance process into their system review process. Failure to comply with this requirement, and the Public Law, may result in a system's funding authority being withdrawn."	9. It is unclear what this paragraph intends. Better explanation is needed so Components understand their roles in the system review process given the Comptroller certification requirement. Placing a requirement on the Components that is followed up by a perceived threat is improper when the required action is unclear.
"This guidance permits a DoD Component Head to approve and fund changes that address priority 1 or 2 core mission changes only for currently operational systems. This memorandum is hereby amended to require the approval of the respective Business Domain for all other system changes (priority 3, 4 and 5)."	10. This indicates domain review and concurrence would be required for all system changes and new development over \$1M and for changes under \$1M for system changes designated as priority 3, 4, or 5. However, system changes under \$1M designated priority 1 and 2 would not require either Comptroller or domain review to either approve or fund. This appears inconsistent and needs to be clarified.

Acquisition, Installations and Environment, and Logistics Domain Comments to Draft Memorandum "Business Management Modernization Program – Compliance Certification of System Investments"

	11. This implies no cross domain coordination of changes to systems in sustainment if that change is under \$1M regardless of priority. Memo needs to clarify that cross domain coordination is required.
	12. Memo needs to define what the priority levels (1, 2, 3, 4, and 5) represent or point to an attachment or web site where the definitions can be found.
"The requirements addressed above are in addition to, and not in lieu of, any other Defense acquisition policy and Clinger-Cohen Action certification requirements."	13. This section must be clarified. Clear direction on how compliance referenced in this memo fits with the other certification requirements identified here is necessary so the Domains can address them consistently in their plans.
"The Domain point of contacts and compliance certification procedures are published on the Business Modernization Management Program web site at: www.dod.mil/comptroller/bmmp ."	14. The compliance certification procedures are not readily found on the web site indicated. This needs to be corrected.